

ADVISORY COMMITTEE OF NONVOTING TAXPAYERS
Minutes of meeting 10 A.M., SATURDAY, August 30, 2014, at
4 Fairgrounds Road

1. Attending: Lou Bassano, Howard Blitman, David Brown, Roger Ernst, Lucas Fischer, Don Green, Susan Matloff, Steve Meader (from 10:08 am), Bill Sherman, Jay Strauss, and Tony Walsh --- a quorum. Also present Peter Kahn and Elliott Pollack plus Dr. Margot Hartmann, CEO and President of the Nantucket Cottage Hospital, Michael Roberts, Chairman of the hospital Board, and (from 10:09 am) Steve Karp, Board member and developer.
2. Materials distributed at the meeting by Roger Ernst: "Ideas re Movement of NCH to WWC Land, as of 8/26[/14] and by Dr. Hartmann: 33 page printout under cover "Building our Future/Committed to Care" of August 6, 2014
3. ACNVT Chair Howard Blitman called the meeting to order at 10:01 a.m. The proposed agenda for the meeting was approved. The minutes of the August 2, 2014 meeting were approved.
4. After introductions of ACNVT members including new member Peter Kahn, the Chair welcomed Dr. Hartmann and Michael Roberts, noting that Steve Karp was expected shortly. Rather than starting with a presentation, Dr. Hartmann invited questions. Lou Bassano's question, whether NCH would need a Certificate of Need from the State, was answered: Yes.
5. Dr. Hartmann noted that NCH has done a major survey of services needed on island and seeks to strike a balance in replacing its failing building, given status as a low-volume, rural hospital. The hospital relies on MedFlights, but they are able to respond to calls only ~2:3 times. NCH must meet a range of needs, of island families as well as summer residents who typically have their main hospital elsewhere but share a degree of isolation while on island. Recent improvements at the present site include the walk-in clinic, reworking the emergency room, and growing primary and specialty medical capability. The potential of telemedicine is limited by the electrical system.
6. With a campaign goal of \$75 million, NCH cannot responsibly build on an inadequate site. Funding will include \$2 - 3 million from MGH/Partners HealthCare for 'soft' costs, \$8 million of forgiven NCH debt, and \$10 million for a matching challenge grant. MGH/Partners HealthCare proposes advancing no-interest construction financing, also funds in anticipation of receiving

amounts pledged by donors. For financial sustainability of the new hospital, especially with medical practices changing so much, philanthropy will still be needed.

7. Michael Roberts observed that NCH services had increased overall 30% since Dr. Hartmann started as CEO at the beginning of FY2010. The current NCH is the least efficient of Partners HealthCare hospitals.
8. Steve Karp added that the community needs survey call for on-island delivery of babies implies a second operating room for OBs. More dialysis chairs are projected, also on-island chemotherapy.
9. Jay Strauss expressed concern that NCH physicians have affordable housing and otherwise that their practices remain profitable. Don Green added that Cape Cod Hospital could meet dialysis needs; without single-payer, a hospital may be tempted to offer services for financial gain that could be gotten elsewhere.
10. Dr. Hartmann said the new hospital would be as small as possible for island lifestyle, ~100 KSF, e.g., it would not offer radiation oncology. Central nursing efficiencies will be realized. As a rural Critical Access hospital, it needs to be seen differently from a usual urban hospital. Per Steve Karp, fewer beds are planned.
11. Elliott Pollack asked that an executive summary of financial projections be made public.
12. Howard opened the issue of site selection, characterizing the Wyer's Valley site as a poor selection and dangerous, e.g., a fuel truck could explode. Steve Karp responded that potential sites were vetted for NCH by an expert consultant: the facts favor Wyer's Valley. The new hospital would be 1,000' from the new deep wells; other uses are almost as near. The State must approve siting in relation to the deep wells. Howard's rejoinder was why not reconstruct on the present NCH site, which his construction experience supports as feasible. Per Steve Karp, the present site is too small.
13. Dr. Hartmann offered ACNVT members a tour of the present site. She noted that NCH staffing would be impaired by on-site construction.
14. As a possible alternative, Mill Hill Park could not be used for a hospital without local ATM and State legislative authorization, said Steve Karp, whereas Howard asserted that the Land Council considered it doable. Steve Meader suggested that a replacement for the sledding hill could be created elsewhere. In any event, the

park would be a site much larger than the present one and physically adequate for a new hospital. Its location would not serve the eastern end of the island as well as the more central Wyer's Valley.

15. Bill Sherman expressed concern that upgrade of NCH's clinical culture should accompany facilities upgrade. Steve Karp responded by speaking of an endowment plan with 4 – 5 % yield being allocated by an island citizens committee toward otherwise underfunded medical needs, e.g., mental health, at a maximum of \$400,000 to \$500,000 annually.
16. After setting our last meeting of the current season for 9/13/14, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,

Bill Sherman, Secretary

Draft minutes e-distributed and submitted to Town Clerk 9/5/14

Minutes adopted 9/ 13/14, hard copy submitted to Town Clerk 9/ 16/14